

The logo for iFAST, featuring the word "iFAST" in white, bold, sans-serif font centered within a dark teal square background.

iFAST

**iFAST Corporation Ltd.
and its Subsidiaries**
Company Registration No: 200007899C
(Incorporated in the Republic of Singapore)

**Unaudited Second Quarter and Half Year 2017
Financial Statements Announcement**

Second Quarter 2017 Financial Statements and Dividend Announcement

1(a)(i) An income statement and a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated income statement for the second quarter and half year ended 30 June 2017

	2Q17 \$'000	Group 2Q16 \$'000	Change %	1H17 \$'000	Group 1H16 \$'000	Change %
Revenue	24,658	19,374	27.3	46,755	38,046	22.9
Commission and fee paid or payable to third party financial advisers	(12,708)	(9,691)	31.1	(23,634)	(19,010)	24.3
	11,950	9,683	23.4	23,121	19,036	21.5
Other income	433	297	45.8	871	1,102	(21.0)
Depreciation of plant and equipment	(313)	(389)	(19.5)	(624)	(776)	(19.6)
Amortisation of intangible assets	(638)	(357)	78.7	(1,217)	(585)	108.0
Staff costs	(4,773)	(4,756)	0.4	(9,615)	(9,312)	3.3
Other operating expenses	(4,113)	(3,370)	22.0	(7,817)	(7,174)	9.0
Results from operating activities	2,546	1,108	129.8	4,719	2,291	106.0
Finance income	156	205	(23.9)	360	454	(20.7)
Finance cost	⁽¹⁾ (1)	(1)	NM	(1)	(1)	-
Net finance income	156	204	(23.5)	359	453	(20.8)
Share of results of associates, net of tax	(113)	(47)	140.4	(244)	(51)	378.4
Profit before tax	2,589	1,265	104.7	4,834	2,693	79.5
Tax expense	(435)	(128)	239.8	(720)	(305)	136.1
Profit for the period	2,154	1,137	89.4	4,114	2,388	72.3
Profit attributable to:						
Owners of the Company	2,206	1,143	93.0	4,216	2,394	76.1
Non-controlling interests	(52)	(6)	766.7	(102)	(6)	1,600.0
Profit for the period	2,154	1,137	89.4	4,114	2,388	72.3

⁽¹⁾ amount less than \$1,000

NM denotes not meaningful.

1(a)(i) An income statement and a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

Consolidated statement of comprehensive income for the second quarter and half year ended 30 June 2017

	2Q17	Group 2Q16	Change	1H17	Group 1H16	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Profit for the period	2,154	1,137	89.4	4,114	2,388	72.3
Other comprehensive income						
Items that are or may be reclassified subsequently to profit or loss:						
Net change in fair value of available-for-sale financial assets	(2)	268	NM	491	(81)	NM
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	(116)	(95)	22.1	(313)	(141)	122.0
Foreign currency translation differences for foreign operations	(161)	(142)	13.4	(689)	(648)	6.3
Share of other comprehensive income of associates	-	-	NM	3	-	NM
Other comprehensive income for the period, net of tax	(279)	31	NM	(508)	(870)	(41.6)
Total comprehensive income for the period	1,875	1,168	60.5	3,606	1,518	137.5
Attributable to:						
Owners of the Company	1,927	1,177	63.7	3,712	1,527	143.1
Non-controlling interests	(52)	(9)	477.8	(106)	(9)	1,077.8
Total comprehensive income for the period	1,875	1,168	60.5	3,606	1,518	137.5

NM denotes not meaningful.

1(a)(ii) Breakdown and explanatory notes to income statement.

	2Q17 \$'000	Group 2Q16 \$'000	Change %	1H17 \$'000	Group 1H16 \$'000	Change %
<u>Profit for the period is arrived at after charging / (crediting) the following:</u>						
Other income						
- Investment income	(355)	(263)	35.0	(709)	(496)	42.9
- Government grant	(35)	(30)	16.7	(114)	(212)	(46.2)
- Gain on acquisition of a subsidiary	-	-	NM	-	(262)	NM
- Gain on derecognition of an associate	(19)	-	NM	(19)	-	NM
- Miscellaneous income	(24)	(4)	500.0	(29)	(132)	(78.0)
	(433)	(297)	45.8	(871)	(1,102)	(21.0)
Interest income						
- from cash and cash equivalents	(103)	(79)	30.4	(187)	(191)	(2.1)
- from investment in financial assets	(53)	(126)	(57.9)	(173)	(263)	(34.2)
	(156)	(205)	(23.9)	(360)	(454)	(20.7)
Operating lease expense	1,539	1,239	24.2	3,043	2,760	10.3
Unrealised exchange loss, net	44	86	(48.8)	128	350	(63.4)
Plant and equipment written off	19	-	NM	19	-	NM
Equity-settled share-based payment transactions, included in staff costs	337	501	(32.7)	727	880	(17.4)
Equity-settled share-based payment transactions, included in commission and fee paid or payable to third party financial advisers	83	83	-	166	166	-
Gain on redemption in investment in available-for-sale financial assets, included in investment income	(116)	(95)	22.1	(313)	(141)	122.0
Dividend income on investment in available-for-sale financial assets, included in investment income	(166)	(163)	1.8	(341)	(345)	(1.2)
Net gain on held-for-trading financial assets, included in investment income	(64)	-	NM	(37)	-	NM

NM denotes not meaningful.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group As at		Company As at	
	30-Jun-17 \$'000	31-Dec-16 \$'000	30-Jun-17 \$'000	31-Dec-16 \$'000
Assets				
Plant and equipment	2,593	2,187	60	51
Intangible assets and goodwill	11,178	10,375	8,077	7,367
Subsidiaries	-	-	49,555	48,313
Associates	1,703	1,829	2,017	2,017
Other investment	63	-	63	-
Prepayments	414	302	-	-
Club membership	11	11	11	11
Total non-current assets	15,962	14,704	59,783	57,759
Current tax receivables	19	80	-	-
Other investments	26,729	32,127	26,364	32,127
Trade and other receivables	33,605	24,091	4,851	2,135
Prepayments	2,092	1,662	72	94
Cash at bank and in hand	23,505	20,974	3,429	3,595
Money market funds	2,215	1,490	-	-
Total current assets	88,165	80,424	34,716	37,951
Held under trust				
Client bank accounts	182,721	156,078	-	-
Client ledger balances	(182,721)	(156,078)	-	-
	-	-	-	-
Total assets	104,127	95,128	94,499	95,710
Equity				
Share capital	64,840	64,147	64,840	64,147
Reserves	14,431	14,299	24,858	16,041
Equity attributable to owners of the Company	79,271	78,446	89,698	80,188
Non-controlling interests	122	150	-	-
Total equity	79,393	78,596	89,698	80,188
Liabilities				
Deferred tax liabilities	562	481	297	196
Finance lease liabilities	16	19	-	-
Total non-current liabilities	578	500	297	196
Trade and other payables	23,278	15,524	4,504	15,326
Finance lease liabilities	5	4	-	-
Current tax payables	873	504	-	-
Total current liabilities	24,156	16,032	4,504	15,326
Total liabilities	24,734	16,532	4,801	15,522
Total equity and liabilities	104,127	95,128	94,499	95,710

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

	Group			
	As at 30-Jun-17 \$'000		As at 31-Dec-16 \$'000	
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	5	-	4	-

Amount repayable after one year

	Group			
	As at 30-Jun-17 \$'000		As at 31-Dec-16 \$'000	
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	16	-	19	-

Details of any collateral

The finance lease liabilities as at 30 June 2017 are secured by the leased assets.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Group	
	2Q17 \$'000	2Q16 \$'000	1H17 \$'000	1H16 \$'000
Cash flows from operating activities				
Profit for the period	2,154	1,137	4,114	2,388
Adjustments for:	-	-	-	-
Depreciation of plant and equipment	313	389	624	776
Amortisation of intangible assets	638	357	1,217	585
Equity-settled share-based payment transactions	420	584	893	1,046
Dividend income on investment in available-for-sale financial assets	(166)	(163)	(341)	(345)
Gain on redemption of investment in available-for-sale financial assets	(116)	(95)	(313)	(141)
Net gain on held-for-trading financial assets	(64)	-	(37)	-
Share of results of associates, net of tax	113	47	244	51
Dividend income on investment in associates	(9)	(5)	(18)	(10)
Unrealised exchange loss, net	44	86	128	350
Plant and equipment written off	19	-	19	-
Gain on acquisition of a subsidiary	-	-	-	(262)
Gain on derecognition of an associate	(19)	-	(19)	-
Net finance income	(156)	(204)	(359)	(453)
Tax expense	435	128	720	305
	<u>3,606</u>	<u>2,261</u>	<u>6,872</u>	<u>4,290</u>
Change in trade and other receivables	(8,696)	726	(8,608)	807
Change in trade and other payables	7,259	353	6,512	(2,148)
Cash generated from operations	2,169	3,340	4,776	2,949
Tax paid	(219)	(286)	(212)	(379)
Interest received	157	255	350	506
Interest paid	(1)	-	(1)	-
Net cash from operating activities	2,107	3,309	4,913	3,076
Cash flows from investing activities				
Purchase of plant and equipment	(834)	(310)	(1,079)	(692)
Purchase of intangible assets	(1,122)	(1,141)	(1,768)	(2,174)
Acquisition of and additional investment in associates	(160)	(1,273)	(160)	(1,273)
Dividend from associates	-	-	17	10
Purchase of investment in financial assets	(17,120)	(12,716)	(30,010)	(17,081)
Proceeds from redemption of investment in financial assets	19,820	15,158	36,022	20,071
Dividends received from investment in available-for-sale financial assets	8	5	13	18
Acquisition of subsidiary, net of cash acquired	-	-	(702)	(1,013)
Net cash from / (used in) investing activities	592	(277)	2,333	(2,134)
Cash flows from financing activities				
Proceeds from exercise of share options	655	47	693	80
Purchase of treasury shares	(252)	(616)	(548)	(616)
Proceeds from shares issued to non-controlling interests of subsidiary	-	2,414	78	2,414
Repayment of finance lease liabilities	(1)	(1)	(2)	(1)
Dividends paid to owners of the Company	(3,759)	(3,735)	(3,759)	(3,735)
Net cash used in financing activities	(3,357)	(1,891)	(3,538)	(1,858)
Net (decrease) / increase in cash and cash equivalents	(658)	1,141	3,708	(916)
Cash and cash equivalents at beginning of the period	26,480	27,128	22,464	29,520
Effect of exchange rate fluctuations on cash held	(102)	(172)	(452)	(507)
Cash and cash equivalents at end of the period	25,720	28,097	25,720	28,097

⁽¹⁾ amount less than \$1,000

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group										
	Attributable to owners of the Company								Total	Non-controlling interests	Total equity
	Share capital	Fair value reserve	Foreign currency translation reserve	Share option reserve	Performance share reserve	Equity reserve	Reserve for own shares	Accumulated profits			
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2017	64,147	12	(535)	1,496	2,250	(2,010)	(2,531)	15,617	78,446	150	78,596
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	4,216	4,216	(102)	4,114
Other comprehensive income											
Net change in fair value of available-for-sale financial assets	-	491	-	-	-	-	-	-	491	-	491
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	(313)	-	-	-	-	-	-	(313)	-	(313)
Foreign currency translation differences for foreign operations	-	-	(685)	-	-	-	-	-	(685)	(4)	(689)
Share of other comprehensive income of associates	-	(1)	3	-	-	-	-	-	3	-	3
Total other comprehensive income	-	178	(682)	-	-	-	-	-	(504)	(4)	(508)
Total comprehensive income for the period	-	178	(682)	-	-	-	-	4,216	3,712	(106)	3,606
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Share options exercised	693	-	-	-	-	-	-	-	693	-	693
Purchase of treasury shares	-	-	-	-	-	-	(548)	-	(548)	-	(548)
Treasury shares re-issued	-	-	-	-	(785)	-	540	245	-	-	-
One-tier tax-exempt 2016 final dividend paid of 0.75 cents per share	-	-	-	-	-	-	-	(1,970)	(1,970)	-	(1,970)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	-	(1,789)	(1,789)	-	(1,789)
Equity-settled share-based payment transactions	-	-	-	90	637	-	-	-	727	-	727
Total contributions by and distribution to owners	693	-	-	90	(148)	-	(8)	(3,514)	(2,887)	-	(2,887)
Changes in ownership interests in subsidiaries											
Issue of shares to non-controlling interests of subsidiary	-	-	-	-	-	-	-	-	-	78	78
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	78	78
Total transactions with owners	693	-	-	90	(148)	-	(8)	(3,514)	(2,887)	78	(2,809)
At 30 June 2017	64,840	190	(1,217)	1,586	2,102	(2,010)	(2,539)	16,319	79,271	122	79,393

⁽¹⁾ amount less than \$1,000

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

	Group										
	Attributable to owners of the Company								Total	Non-controlling interests	Total equity
	Share capital	Fair value reserve	Foreign currency translation reserve	Share option reserve	Performance share reserve	Equity reserve	Reserve for own shares	Accumulated profits			
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2016	62,546	(833)	(606)	1,306	826	(4,161)	-	17,481	76,559	-	76,559
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	2,394	2,394	(6)	2,388
Other comprehensive income											
Net change in fair value of available-for-sale financial assets	-	(81)	-	-	-	-	-	-	(81)	-	(81)
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	(141)	-	-	-	-	-	-	(141)	-	(141)
Foreign currency translation differences for foreign operations	-	-	(645)	-	-	-	-	-	(645)	(3)	(648)
Total other comprehensive income	-	(222)	(645)	-	-	-	-	-	(867)	(3)	(870)
Total comprehensive income for the period	-	(222)	(645)	-	-	-	-	2,394	1,527	(9)	1,518
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Share options exercised	80	-	-	-	-	-	-	-	80	-	80
Purchase of treasury shares	-	-	-	-	-	-	(616)	-	(616)	-	(616)
One-tier tax-exempt 2015 final dividend paid of 0.75 cents per share	-	-	-	-	-	-	-	(1,959)	(1,959)	-	(1,959)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	-	-	(1,776)	(1,776)	-	(1,776)
Equity-settled share-based payment transactions	-	-	-	191	689	-	-	-	880	-	880
Total contributions by and distribution to owners	80	-	-	191	689	-	(616)	(3,735)	(3,391)	-	(3,391)
Changes in ownership interests in subsidiaries											
Issue of shares to non-controlling interests of subsidiary	-	-	-	-	-	2,151	-	-	2,151	263	2,414
Total changes in ownership interests in subsidiaries	-	-	-	-	-	2,151	-	-	2,151	263	2,414
Total transactions with owners	80	-	-	191	689	2,151	(616)	(3,735)	(1,240)	263	(977)
At 30 June 2016	62,626	(1,055)	(1,251)	1,497	1,515	(2,010)	(616)	16,140	76,846	254	77,100

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

	Company						
	Attributable to owners of the Company						Total equity
	Share capital	Fair value reserve	Share option reserve	Performance share reserve	Reserve for own shares	Accumulated profits	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2017	64,147	12	1,496	2,250	(2,531)	14,814	80,188
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	12,321	12,321
Other comprehensive income							
Net change in fair value of available-for-sale financial assets	-	464	-	-	-	-	464
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	(313)	-	-	-	-	(313)
Total other comprehensive income	-	151	-	-	-	-	151
Total comprehensive income for the period	-	151	-	-	-	12,321	12,472
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Share options exercised	693	-	-	-	-	-	693
Purchase of treasury shares	-	-	-	-	(548)	-	(548)
Treasury shares re-issued	-	-	-	(785)	540	245	-
Issue of ordinary shares	-	-	-	-	-	-	-
Share issuance expenses	-	-	-	-	-	-	-
One-tier tax-exempt 2016 final dividend paid of 0.75 cents per share	-	-	-	-	-	(1,970)	(1,970)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	(1,789)	(1,789)
Equity-settled share-based payment transactions	-	-	15	637	-	-	652
Total contributions by and distribution to owners	693	-	15	(148)	(8)	(3,514)	(2,962)
Total transactions with owners	693	-	15	(148)	(8)	(3,514)	(2,962)
At 30 June 2017	64,840	163	1,511	2,102	(2,539)	23,621	89,698

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

	Company						
	Attributable to owners of the Company						Total equity
	Share capital	Fair value reserve	Share option reserve	Performance share reserve	Reserve for own shares	Accumulated profits	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2016	62,546	(833)	1,306	826	-	15,723	79,568
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	6,124	6,124
Other comprehensive income							
Net change in fair value of available-for-sale financial assets	-	(81)	-	-	-	-	(81)
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	-	(141)	-	-	-	-	(141)
Total other comprehensive income	-	(222)	-	-	-	-	(222)
Total comprehensive income for the period	-	(222)	-	-	-	6,124	5,902
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Share options exercised	80	-	-	-	-	-	80
Purchase of treasury shares	-	-	-	-	(616)	-	(616)
One-tier tax-exempt 2015 final dividend paid of 0.75 cents per share	-	-	-	-	-	(1,959)	(1,959)
One-tier tax-exempt interim dividend paid of 0.68 cents per share	-	-	-	-	-	(1,776)	(1,776)
Equity-settled share-based payment transactions	-	-	191	689	-	-	880
Total contributions by and distribution to owners	80	-	191	689	(616)	(3,735)	(3,391)
Total transactions with owners	80	-	191	689	(616)	(3,735)	(3,391)
At 30 June 2016	62,626	(1,055)	1,497	1,515	(616)	18,112	82,079

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

The number of shares in issue in the Company as at 30 June 2017 excluding treasury shares and subsidiary holdings was 263,378,532 ordinary shares (31 March 2017: 262,475,515 ordinary shares). The movements in the Company's share capital during the second quarter ended 30 June 2017 were as follows:

	Number of ordinary shares
As at 31 March 2017	262,475,515
Exercise of share options	1,238,617
Vesting of performance shares	23,600
Purchase of treasury shares	(359,200)
As at 30 June 2017	<u>263,378,532</u>

Share Option Schemes 2003 and 2013 ("iFAST SOS")

The number of outstanding share options under the iFAST SOS was as follows:

	Number of share options
As at 31 March 2017	7,226,054
Share options granted	-
Exercised	(1,238,617)
Forfeited	(15,750)
As at 30 June 2017	<u>5,971,687</u>

As at 30 June 2017, the number of outstanding share options under the iFAST SOS was 5,971,687 (30 June 2016: 11,161,246).

iFAST Corporation Performance Share Plan ("iFAST PSP")

The number of outstanding performance shares granted but not vested under iFAST PSP was as follows:

	Number of performance shares
As at 31 March 2017	2,556,200
Performance shares granted but not vested	2,052,400
Vested	(23,600)
Forfeited	(194,200)
As at 30 June 2017	<u>4,390,800</u>

On 1 April 2017 and 1 May 2017, the Company granted 1,919,600 and 132,800 performance shares pursuant to the iFAST PSP respectively. As at 30 June 2017, the number of outstanding performance shares granted but not vested under the iFAST PSP was 4,390,800 (30 June 2016: 3,256,500).

Treasury shares and subsidiary holdings

The number of shares held as treasury shares was as follows:

	Number of treasury shares
As at 31 March 2017	2,533,600
Purchased by way of on-market acquisition	359,200
Purchased by way of off-market acquisition	-
Re-issued	(23,600)
As at 30 June 2017	<u>2,869,200</u>

During 2Q17, the Company acquired 359,200 (2Q16: 565,700) ordinary shares in the Company by way of on-market purchases. As at 30 June 2017, 2,869,200 (30 June 2016: 565,700) treasury shares were held by the Company that may be re-issued upon the exercise of share options under the iFAST SOS and upon the vesting of performance shares under the iFAST PSP.

As at 30 June 2017, the treasury shares held represented 1.1% (30 June 2016: 0.2%) of the total number of issued shares excluding treasury shares.

The Company has no subsidiary holdings as at 30 June 2017 and 30 June 2016.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 30-Jun-17	As at 31-Dec-16
Total number of issued shares excluding treasury shares	<u>263,378,532</u>	<u>262,223,415</u>

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

During 2Q17, the Company transferred 23,600 treasury shares for the fulfilment of share awards vested under the iFAST PSP. The total value of the treasury shares transferred was \$0.02 million.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

There were no sales, transfer, cancellation and/or use of subsidiary holdings as at 30 June 2017.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Group's external auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The financial information have been prepared in accordance with the same accounting policies and methods of computation adopted in the audited financial statements of the last financial year, except for those disclosed under paragraph 5 below.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group and the Company have adopted the new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual period 1 January 2017. The adoption of these FRSs and INT FRSs did not have any significant effect on the financial statements of the Group and the Company.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	2Q17	2Q16	1H17	1H16
(i) Based on weighted average number of ordinary shares on issue				
- Weighted average number of ordinary shares	263,090,137	260,952,801	262,709,610	260,994,634
Basic earnings per share (cents)	0.84	0.44	1.60	0.92
(ii) On a fully diluted basis of ordinary shares				
- Adjusted weighted average number of ordinary shares	267,077,594	267,870,168	266,998,406	268,338,859
Diluted earnings per share (cents)	0.83	0.43	1.58	0.89

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuers at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	Group		Company	
	30-Jun-17	31-Dec-16	30-Jun-17	31-Dec-16
Net asset value per ordinary share (cents)	30.10	29.92	34.06	30.58

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Consolidated Income Statement

Revenue

Following an encouraging first quarter this year ("1Q17"), the Group achieved revenue of \$24.66 million for the second quarter ended 30 June 2017 ("2Q17"), which was 27.3% higher than the second quarter last year ("2Q16") and 11.6% higher than 1Q17. Revenue of \$46.76 million for the financial period ended 30 June 2017 ("1H17") was 22.9% higher than the same period last year ("1H16").

The year-on-year ("YoY") and quarter-on-quarter ("QoQ") increases in 2Q17 were due mainly to the growth of the Group's business and Asset Under Administration ("AUA") in the period, contributed by the Group's continuing efforts to broaden the range and depth of its investment products and services in the recent years, and also benefiting from improved market sentiment from the second half of 2016.

The Group's AUA grew 21.1% Year-on-Year ("YoY") to reach a new record of \$6.81 billion as at 30 June 2017.

Breaking down by geographical segment, Singapore operation is still the major contributor of the Group's revenue. The revenue in Singapore operation grew 25.2% YoY in 2Q17 and 22.7% YoY in 1H17, which was mainly contributed by increases in investment subscription amounts (including transfer-in amounts) in unit trusts ("UTs"), bonds, exchange-traded funds ("ETFs") and stocks in the period. Following that Singapore launched a new FSMOne platform allowing investors in Singapore to invest in multiple products, including stocks, ETFs, bonds, MAPS (My Assisted Portfolio Solution) and insurance products, via one account, in December 2016, Singapore successfully admitted as a Trading Member of Singapore Exchange Securities Trading Limited ("SGX-ST") and a Clearing Member of The Central Depository (Pte) Limited ("CDP") and launched its SGX stockbroking service in June 2017. The AUA of Singapore operation grew 15.9% YoY as at 30 June 2017.

In Malaysia, the significant growth of business and AUA contributed to the significant increases in revenue of 74.5% YoY in 2Q17 and 58.1% YoY in 1H17. The AUA of Malaysia operation grew 46.6% YoY as at 30 June 2017.

In Hong Kong, benefiting from continuing efforts to broaden the range and depth of its investment products and services, the net inflows of investments from customers grew 563.8% YoY and 78.5% QoQ in 2Q17 and the AUA of HK operation grew 27.2% YoY as at 30 June 2017. This resulted in increases in revenue of 27.0% YoY in 2Q17 and 15.1% YoY in 1H17.

China business is still in the early stages of building the iFAST brand among potential clients and investment practitioners in China's wealth management industry. Besides focusing on growing the onshore Chinese market, China operation also contributes to the Group by introducing offshore Chinese markets to investors in China, especially through the Group's Hong Kong and Singapore markets. However, the gross revenue in China operation declined in 2Q17. This was because there were some ad-hoc contributions received from institutional business in 2016, which has been negatively affected by local regulatory changes since the beginning of this year. Despite that, the net revenue in China operation still saw a significant YoY increase in both 2Q17 and 1H17, benefiting from the offshore Chinese markets growing increasingly over the period.

	Group			Group		
	2Q17 \$'000	2Q16 \$'000	Change %	1H17 \$'000	1H16 \$'000	Change %
Singapore	17,736	14,168	25.2	33,860	27,601	22.7
Hong Kong	4,947	3,896	27.0	9,327	8,101	15.1
Malaysia	1,876	1,075	74.5	3,330	2,106	58.1
	24,559	19,139	28.3	46,517	37,808	23.0
China	99	235	(57.9)	238	238	-
Total revenue	24,658	19,374	27.3	46,755	38,046	22.9

Commission and fee paid or payable to third party financial advisers

Commission and fee paid or payable to third party financial advisers increased by 31.1% from \$9.69 million in 2Q16 to \$12.71 million in 2Q17 and 24.3% from \$19.01 million in 1H16 to \$23.63 million in 1H17. The increase was in line with the increase in revenue from Business-to-Business ("B2B") business in the period.

Net revenue

Net revenue represents revenue earned by the Group after commission and fee paid or payable to third party financial advisers. The net revenue of \$11.95 million for 2Q17 was 23.4% higher than 2Q16, and the net revenue of \$23.12 million for 1H17 was 21.5% higher than 1H16.

The following table shows the breakdown of the Group's net revenue, by recurring and non-recurring basis. The Group's business module gives a stream of reliable recurring revenue which is based on AUA. For 2Q17, 83.1% of net revenue is derived from recurring net revenue and 16.9% is from non-recurring net revenue. For 1H17, 83.7% of net revenue is derived from recurring net revenue and 16.3% is from non-recurring net revenue.

	Group			Group		
	2Q17 \$'000	2Q16 \$'000	Change %	1H17 \$'000	1H16 \$'000	Change %
Recurring net revenue	9,932	8,423	17.9	19,345	16,548	16.9
Non-recurring net revenue	2,018	1,260	60.2	3,776	2,488	51.8
Total net revenue	11,950	9,683	23.4	23,121	19,036	21.5

Recurring net revenue is usually calculated based on a percentage of average AUA of Investment Products distributed on the Group's platforms, which mainly comprises trailer fees, platform fees and wrap fees. The YoY increase in recurring net revenue in 2Q17 and 1H17 was mainly due to an increase in average AUA for both B2B business and B2C business in the period, which benefited from new inflows of investments from customers in the period besides

improved market sentiment from the second half of 2016. The average AUA of the Group grew 19.2% YoY to \$6.63 billion in 2Q17 and 16.5% YoY to \$6.43 billion in 1H17.

Non-recurring revenue mainly comprises commission income derived from investment subscription via front-end load commissions or processing fees; service fees arising from the provision of currency conversion administration services to customers and the provision of administration services to financial advisory firms; and advertising fee earned from advertisements placed by third parties on iFAST websites and mobile applications. The increase in non-recurring net revenue was due mainly to increases in commission income as a result of increased investment subscription from customers in the period.

The following table shows the breakdown of the Group's net revenue by geographical segments.

	Group			Group		
	2Q17 \$'000	2Q16 \$'000	Change %	1H17 \$'000	1H16 \$'000	Change %
Singapore	8,361	7,087	18.0	16,386	13,841	18.4
Hong Kong	2,633	2,037	29.3	5,024	4,121	21.9
Malaysia	858	510	68.2	1,558	1,022	52.4
	11,852	9,634	23.0	22,968	18,984	21.0
China	98	49	100.0	153	52	194.2
Total net revenue	11,950	9,683	23.4	23,121	19,036	21.5

Other income

Other income increased by \$0.13 million or 45.8% from \$0.30 million in 2Q16 to \$0.43 million in 2Q17, due mainly to higher investment income earned in the quarter. Other income in 2Q17 also includes a gain of \$0.02 million resulting from dilution of interest in PC iFAST Holding (SG) Pte Ltd ("PC iFAST") from 25.0% to 19.5% in June 2017. Upon loss of significant influence over PC iFAST, the Company has discontinued equity accounting of results of PC iFAST.

Other income decreased by \$0.23 million or 21.0% from \$1.10 million in 1H16 to \$0.87 million in 1H17, due mainly to a gain of \$0.26 million recognised upon completing the acquisition of a stockbroking firm in Hong Kong, iFAST Securities (HK) Limited (formerly known as Winfield Securities Limited), in 1Q16.

Operating expenses

Excluding China operation, the Group's operating expenses increased by \$0.51 million or 6.3% from \$8.09 million in 2Q16 to \$8.60 million in 2Q17 and \$0.80 million or 4.9% from \$16.18 million in 1H16 to \$16.98 million in 1H17. The Group continued its efforts in enhancing its platform capabilities including improving the range of investment products and services being provided to customers in the existing markets over the period.

For our China operation, the operating expenses increased by \$0.45 million or 58.0% from \$0.79 million in 2Q16 to \$1.24 million in 2Q17 and \$0.63 million or 37.8% from \$1.67 million in 1H16 to \$2.30 million in 1H17. The increase was due mainly to our increasing efforts in building our brand and business in the China market over the period. China operation opened its new Shanghai office in 3Q16.

Overall, the Group's total operating expenses increased by \$0.97 million or 10.9% from \$8.87 million in 2Q16 to \$9.84 million in 2Q17 and \$1.42 million or 8.0% from \$17.85 million in 1H16 to \$19.27 million in 1H17. The following table shows the breakdown of the Group's operating expenses by its existing markets and China market.

	2Q17 \$'000	Group 2Q16 \$'000	Change %	1H17 \$'000	Group 1H16 \$'000	Change %
Operating expenses (excluding China operation)	8,595	8,086	6.3	16,976	16,180	4.9
Operating expenses in China operation	1,242	786	58.0	2,297	1,667	37.8
Total operating expenses	9,837	8,872	10.9	19,273	17,847	8.0

Depreciation of plant and equipment decreased by \$0.08 million or 19.5% from \$0.39 million in 2Q16 to \$0.31 million in 2Q17 and \$0.16 million or 19.6% from \$0.78 million in 1H16 to \$0.62 million in 1H17, as certain plant and equipment were fully depreciated after 2Q16.

Amortisation of intangible assets increased by \$0.28 million or 78.7% from \$0.36 million in 2Q16 to \$0.64 million in 2Q17 and \$0.63 million or 108.0% from \$0.59 million in 1H16 to \$1.22 million in 1H17. These were due mainly to additions of intangible assets (including internally-developed IT software assets) over the period, to support our business expansion in the countries that the Group operates in and continuously strengthen the capabilities of financial technologies (“FinTech”) on our platforms.

Staff costs increased by \$0.01 million or 0.4% from \$4.76 million in 2Q16 to \$4.77 million in 2Q17 and \$0.31 million or 3.3% from \$9.31 million in 1H16 to \$9.62 million in 1H17, due mainly to the annual salary increment adjusted in January 2017 and the increased number of staff (especially in China operation) over the period and partially offset by lower costs of equity-settled share-based payment transactions as a result of some batches of share options and performance shares being vested after 2Q16.

Other operating expenses increased by \$0.74 million or 22.0% from \$3.37 million in 2Q16 to \$4.11 million in 2Q17 and \$0.65 million or 9.0% from \$7.17 million in 1H16 to \$7.82 million in 1H17, due mainly to an increase in rental of China operation in the period arising from an opening of the new Shanghai office in 3Q16 and increases in IT service and maintenance, bank charges and brokerage costs to support the growth of the Group’s business in the period.

Net finance income

Net finance income decreased by \$0.04 million or 23.5% from \$0.20 million in 2Q16 to \$0.16 million in 2Q17 and \$0.09 million or 20.8% from \$0.45 million in 1H16 to \$0.36 million in 1H17, due mainly to lower interest income from short term deposits in 1H17 and some redemption of investments in available-for-sale bond securities over the period.

Share of results of associates, net of tax

The Group’s share of loss after tax of associates increased from \$0.05 million in 2Q16 to \$0.11 million in 2Q17 and from \$0.05 million in 1H16 to \$0.24 million in 1H17. This was due mainly to share of loss of associates, namely PC iFAST and Pecuniam Pte Ltd (“Pecuniam”), acquired after 1Q16. Pecuniam is an ultimate holding company of iFAST Financial India Pvt Ltd (“iFAST India”), an India-incorporated company engaged in the distribution of investment products including mutual funds in India. iFAST India had a AUA of Indian Rupee 21.93 billion (equivalent to \$467.01 million) as at 30 June 2017, growing at a 5-year compound annual growth rate (“CAGR”) of approximately 64.5%. PC iFAST has been derecognised as an associate upon the dilution of the Company’s interest in PC iFAST from 25.0% to 19.5% in June 2017.

Tax expense

Tax expense increased by \$0.31 million from \$0.13 million in 2Q16 to \$0.44 million in 2Q17 and \$0.41 million from \$0.31 million in 1H16 to \$0.72 million in 1H17, due mainly to an increase in taxable income from Singapore operation in the period. The effective tax rate remained relatively

low in 1H17 due mainly to continued utilisation of unabsorbed tax losses from prior years by Hong Kong and Malaysia operations in the period.

Net profit for the period, after non-controlling interests

The following table shows the breakdown of the Group's net profit after tax by geographical segments.

	Group			Group		
	2Q17 \$'000	2Q16 \$'000	Change %	1H17 \$'000	1H16 \$'000	Change %
Singapore	2,571	1,862	38.1	5,283	3,845	37.4
Hong Kong	536	36	1,388.9	657	79	731.6
Malaysia	289	14	1,964.3	532	79	573.4
Other ⁽¹⁾	(113)	(47)	140.4	(244)	(51)	378.4
Net profit (excluding China operation)	3,283	1,865	76.0	6,228	3,952	57.6
China	(1,077)	(722)	49.2	(2,012)	(1,558)	29.1
Net profit (including China operation)	2,206	1,143	93.0	4,216	2,394	76.1

Notes:

(1) Referring to share of results of associates.

Overall, including China operation, the Group's net profit after tax increased by \$1.07 million or 93.0% from \$1.14 million in 2Q16 to \$2.21 million in 2Q17 and \$1.83 million or 76.1% from \$2.39 million in 1H16 to \$4.22 million in 1H17, due mainly to an increase of 23.4% YoY in net revenue compared to an increase of 10.9% YoY in total operating expenses in the quarter and an increase of 21.5% YoY in net revenue compared to an increase of 8.0% YoY in total operating expenses in the first half year.

Excluding China operation, the Group's profit after tax increased by \$1.41 million or 76.0% from \$1.87 million in 2Q16 to \$3.28 million in 2Q17 and \$2.28 million or 57.6% from \$3.95 million in 1H16 to \$6.23 million in 1H17, due mainly to an increase of 23.0% YoY in net revenue compared to an increase of 6.3% YoY in total operating expenses in the quarter and an increase of 21.0% YoY in net revenue compared to an increase of 4.9% YoY in total operating expenses in the first half year.

The China operation is still in the early stages of building iFAST brand and business in this new market. The loss from China operation increased by 49.2% from \$0.72 million in 2Q16 to \$1.08 million in 2Q17 and 29.1% from \$1.56 million in 1H16 to \$2.01 million in 1H17. As at 30 June 2017, China operation has signed up more than 55 fund houses with over 2,200 funds on its platform.

Statement of Financial Position

The shareholders' equity of the Group increased to \$79.27 million as at 30 June 2017 from \$78.45 million as at 31 December 2016. This was due mainly to contribution of net profit generated in 1H17, and partially offset by payments of dividends in the period.

The Group's cash position (including cash at bank and in hand, money market fund and investments in financial assets categorised under other investments) decreased to \$52.45 million as at 30 June 2017 from \$54.59 million as at 31 December 2016.

Current assets increased to \$88.17 million as at 30 June 2017 from \$80.42 million as at 31 December 2016, due mainly to an increase in prepayments and increases in trade and other receivables as a result of increases in uncompleted contracts on securities dealing at end of the period, and partially offset by a decrease in the Group's cash position in the period.

Non-current assets increased to \$15.96 million as at 30 June 2017 from \$14.70 million as at 31 December 2016. The increase was due mainly to additions of plant and equipment and intangible assets (including internally-developed IT software assets) in the period, and a goodwill amounting to \$0.36 million arising on an acquisition of an insurance broker firm in Hong Kong, namely iFAST Insurance Brokers (HK) Limited (formerly known as Canadian Financial Consultants Limited), in January 2017. Other investment classified under non-current assets as at 30 June 2017 represents the Company's retained interest in PC iFAST upon the dilution of its interest in PC iFAST from 25.0% to 19.5% in June 2017.

Total liabilities increased to \$24.73 million as at 30 June 2017 from \$16.53 million as at 31 December 2016. This was due mainly to an increase in tax payables and increases in trade and other payables as a result of increases in uncompleted contracts on securities dealing at end of the period.

Consolidated Statement of Cash Flows

Net cash from operating activities increased from \$3.08 million in 1H16 to \$4.91 million in 1H17, due mainly to higher operating profit in 1H17. However, net cash from operating activities decreased from \$3.31 million in 2Q16 to \$2.11 million in 2Q17, due mainly to changes in working capital resulting from an increase in prepayments for marketing support activities in the quarter and an increase in security deposits paid to regulators as a result that Singapore operation successfully admitted as a Trading Member of SGX-ST and a Clearing Member of CDP in June 2017.

Net cash from investing activities was \$0.59 million in 2Q17 compared to net cash of \$0.28 million used in investing activities in 2Q16 and net cash from investing activities was \$2.33 million in 1H17 compared to net cash of \$2.13 million used in investing activities in 1H16. This was due mainly to higher net redemption proceeds from investment in financial assets and lower additional investment in associates in the period.

Net cash used in financing activities increased from \$1.89 million in 2Q16 to \$3.36 million in 2Q17 and net cash used in financial activities increased from \$1.86 million in 1H16 to \$3.54 million in 1H17, due mainly to proceeds of US\$1.75 million (equivalent \$2.41 million) from shares issued by China operation to non-controlling interests in June 2016.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement was previously provided.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Following a positive start to the year in 1Q17, 2Q17 has continued to show improvements. Group AUA increased to a record of \$ 6.81 billion as at 30 June 2017.

The improvements resulted from our continuing efforts at strengthening our investment platforms in the various countries. With a more complete suite of investment products, the Group has made concrete progress in becoming a more robust wealth management platform. Positive financial market conditions in the first half of 2017 has also contributed to the improvements.

Barring unforeseen circumstances, we expect the Group's financial results in 2017 to show a healthy improvement compared to 2016.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of dividend	Interim
Dividend type	Cash
Dividend rate	0.68 cents per ordinary share
Tax rate	One-tier tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of dividend	Interim
Dividend type	Cash
Dividend rate	0.68 cents per ordinary share
Tax rate	One-tier tax exempt

(c) Date payable

The interim dividend will be paid on 21 August 2017.

(d) Books closure date

The Register of Members and Share Transfer Books of the Company will be closed on 10 August 2017 for the purpose of determining members' entitlements to the second interim dividend. Accordingly, registrable transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services (a business division of Tricor Singapore Pte Ltd) at 80 Robinson Road, #02-00 Singapore 068898, up to 5.00 pm on 8 August 2017 will be registered to determine members' entitlement to the second interim dividend. Members whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 8 August 2017 will be entitled to the second interim dividend.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

13. If the group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT Mandate has been obtained, a statement to that effect.

The Company does not have a general mandate from shareholders for interested person transactions.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

15. Use of proceeds from the Company's initial public offering.

Pursuant to the IPO on 11 December 2014, the Company received net proceeds of \$48.0 million from the issuance of the new shares (including over-allotment shares), after deducting for share issuance expenses of \$2.4 million and IPO-related expenses of \$1.95 million. The following table sets out our use of the net IPO proceeds up to 30 June 2017.

	Allocation of IPO proceeds	IPO proceeds utilised as at 30 June 2017	Balance of IPO proceeds
Use of net proceeds	\$' million	\$' million	\$' million
Mergers and acquisitions strategy	27.2	5.5	21.7
Expansion of our business in the Chinese market	7.0	4.8	2.2
Enhancement of our product capabilities, IT and services	8.0	8.0	-
Working capital purposes	5.8	5.8 ⁽²⁾	-
Net Proceeds	48.0 ⁽¹⁾	24.1	23.9

Note:

(1) Estimated net IPO proceeds disclosed in the Prospectus dated 4 December 2014 was \$44.6 million and the actual net IPO proceeds received by the Company was \$48.0 million.

(2) The amount of \$5.8 million deployed for working capital purposes has been utilised for funding for new investment products distribution business, such as bonds and stocks.

Pending the deployment of the remaining net proceeds as disclosed above, the balance of IPO proceeds of \$23.9 million has been used to invest in bonds, unit trusts and short term deposits as stated in the Prospectus.

The Company will continue to make periodic announcements on the use of the proceeds as and when the funds are materially disbursed.

16. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual.

The directors of the Company confirm that to the best of their knowledge, nothing has come to the attention of the board of directors which may render the financial results for the second quarter and half year ended 30 June 2017 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Leung Fung Yat, David
Chief Financial Officer
28 July 2017